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Attorneys for Plaintiff
SANDISK CORPORATION

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

SANDISK CORPORATION,

Plaintiff,

vs.

LUCENT TECHNOLOGIES INC. and ALCATEL-LUCENT, S.A.,

Defendants.

Case No.: C 07 03618 JF

DECLARATION OF ERIC BONE

I, Eric Bone, declare as follows:

1. I am the Vice President of Product Marketing for MP3 player products at SanDisk Corporation ("SanDisk"). My responsibilities include developing and marketing audio products that store and play music in a variety of industry standard music formats, including MP3. I have been employed with SanDisk since August of 2001, and started SanDisk's MP3 group in 2004. SanDisk made its first MP3 product announcement in October 2004, and since then has introduced a number of models and versions.

The Identified SanDisk Products

2. It is my understanding that Alcatel-Lucent has asserted that the following SanDisk products infringe on certain Alcatel-Lucent patents:

MP3 and Video Players	Reference
SanDisk Sansa® Connect™ MP3 Player 4GB	SDMX8N-4096K
Sansa® Express™ MP3 Player 1GB	SDMX6R-1024K
Sansa® View - Pocket Video Player America 8GB	SDVX1N-8192
Sansa® e280 MP3 Player 8GB	SDMX4-8192
Sansa® e270 MP3 Player 6GB	SDMX4-6144
Sansa® e260 MP3 Player 4GB	SDMX4-4096
Sansa® e250 MP3 Player 2GB	SDMX4-2048
Sansa® e280R Rhapsody 8GB MP3 Player	SDMX4-8192
Sansa® e270R Rhapsody 6GB MP3 Player	SDMX4-6144
Sansa® e260R Rhapsody 4GB MP3 Player	SDMX4-4096
Sansa® e250R Rhapsody 2GB MP3 Player	SDMX4-2048
Sansa c250 MP3 Player 2GB	SDMX7-2048
Sansa c240 MP3 Player 1GB	SDMX7-1024
Sansa® c150 MP3 Player 2GB	SDMX5-2048
Sansa® c140 MP3 Player 1GB	SDMX5-1024
Sansa® m260 MP3 Player 4GB	SDMX3-4096
Sansa® m250 Digital Audio Player 2GB	SDMX3-2048
Sansa® m240 1GB MP3 Player	SDMX3-1024
Sansa® m230 512MB MP3 Player	SDMX3-512
Sansa® e140 Digital Audio Player 1GB	SDMX2-1024
Sansa® e130 Digital Audio Player 512MB	SDMX2-512
Digital Audio Player 256MB	SDMX1-256
SanDisk Digital Audio Player 512MB	SDMX1-512
Digital Audio Player 1GB	SDMX1-1024

Operation of The Identified SanDisk Players

3. I am familiar with the design, operation, marketing and sales of each of the SanDisk MP3 products identified by Alcatel-Lucent. The MP3 products identified by Alcatel-Lucent, with one exception, have been or are being sold by SanDisk.[1] Each is a portable device that allows for the storage, decoding and playback of previously encoded audio -- e.g., songs, sound tracks, or other recorded audio. None of the products identified by Alcatel-Lucent have the capability of encoding music. All of SanDisk's MP3 products require a user to encode files using non-SanDisk software before SanDisk's players can decode and play the files.

4. The SanDisk products are compatible with the MP3, WMA and Secure WMA audio formats. In general, each format defines a syntax for encoded audio that has been compressed in size, but each involves different techniques for encoding and decoding audio files.

5. MP3 is an industry standard format for compressed music that specifies the syntax of MP3 files and how to decode them. The MP3 format and requirements for compatibility are defined in the following international standards: ISO/IEC 1172-3 and 13818. The MP3 standard does not define a required implementation for an encoder. However, conforming encoders must encode audio into bitstreams at one of a number of allowable bit rates, or at a variable bit rate, that conform to the syntax required by the standard and that can be decoded by the decoding techniques required by the MP3 standard. For MP3 decoding, SanDisk's products conform to the MP3 industry standard. The SanDisk players play MP3 encoded music regardless of the encoder or technique used to encode the music, so long as the MP3 file itself conforms to the syntax of the standard and is capable of being decoded according to the standard.

6. WMA is a compressed music format proprietary to Microsoft. WMA files are encoded differently than MP3 files, using a proprietary Microsoft codec that Microsoft introduced as an alternative to MP3. Secure WMA is a version of WMA with security features, namely encryption and encryption keys, that are required to accompany the WMA files in order

[1] SanDisk has never sold model SDVX1N-8192, though it was demonstrated at a trade show.

to play the music.

7. To use SanDisk players, users must first transfer audio files from a computer to a SanDisk player. The files are already encoded in either the MP3, WMA or Secure WMA format, and are transferred from a computer to the SanDisk player via a cable that connects to the SanDisk player either at a mini USB port or a 30 pin connector. For Secure WMA files, the SanDisk player also receives the encryption keys corresponding to each song. Once the encoded audio files (and encryption keys for the Secure WMA format) are received, the SanDisk player stores them as files in the device's flash memory. The SanDisk player also decodes the files to permit a user to access the files, but in no instance does the SanDisk player perform any encoding.

Third Party Media Software and their use in Encoding MP3 and WMA Files

8. To transfer music to a SanDisk player from a computer, a user typically uses media software to manage the transfer. Media software typically provides media management, integration and aggregation of content and "dispensing" of content to devices, including media players such as the SanDisk players, or to speakers attached to the computer during playback.

9. Examples of this type of media software include Microsoft's Windows Media Player, Real Networks' Rhapsody, Apple's ITunes and Yahoo! Music Jukebox.

10. Certain media software programs also allow users to encode or "rip" music from a source, such as a music compact disk, into a compressed digital music file in a format such as MP3, WMA or secure WMA. Windows Media Player includes separate encoders (at least one per different format) for encoding or "ripping" audio from a music CD into the MP3, WMA or Secure WMA formats. This allows users to expand the media stored on their computer, accessible by their media software, and to transfer the music to additional devices such as a SanDisk media player.

11. For "ripping" music, Windows Media Player's default setting is to encode music into the WMA format. Rhapsody, ITunes and Yahoo Music Jukebox are also compatible with MP3 and WMA formats.

SanDisk Players and their Use With Media Software on a Computer

12. SanDisk's marketing and product documentation indicate that SanDisk players are compatible with Windows Media Player, versions 9 and 10. In some instances, SanDisk identifies Windows Media Player as a "system requirement." See, for example, Exhibit A. SanDisk documentation also indicates to users that they may "rip music" using Windows Media Player. SanDisk's website also includes links to videos demonstrating how to rip music using WMP, Yahoo! Music Jukebox and Rhapsody software.

13. SanDisk documentation does not specify which music format, MP3, WMA or Secure WMA, a user should use. Nor does SanDisk specify how to encode music in any particular compressed format such as MP3, WMA or Secure WMA. SanDisk players are compatible with any encoder that produces standard MP3, WMA or Secure WMA file formats that can be stored onto the SanDisk player.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: October 25, 2007

By: _____
Eric Bone